



Committee report

Committee	FULL COUNCIL
Date	18 SEPTEMBER 2013
Title	PROPOSED CHANGE TO A COMMITTEE SYSTEM OF GOVERNANCE
Report of	LEADER OF THE COUNCIL

EXECUTIVE SUMMARY

1. This report sets out the work to date of the Working Party established by the Council to consider proposed changes to the decision making processes of the Council from a cabinet taking decisions on most budget and policy matters, to a committee system.
2. The Working Party of all Group Leaders, having considered the improvements to transparency, accountability, inclusiveness and the resources available have identified that a governance system of an executive with politically proportionate committees is their preferred option. This report then suggests a consultation process to be undertaken on the preferred option for a final decision to be considered by the Council in November for implementation for the Annual Council in March 2014.
3. Once the final decision has been made the council's constitution will be amended to reflect this and this will be considered at the Annual Council meeting in March for final approval.

BACKGROUND

4. The Framework for Change document, which is to be used as the basis for developing the Council's Corporate Plan, expresses the view that changes need to be made to the member level decisions so that they:
 - (a) Are more open
 - (b) Are more transparent
 - (c) Provide for all members (regardless of political group membership) to have an input into policy development
 - (d) Allow individual members to raise issues for consideration by the Cabinet
5. The Annual Council on 15 May 2013 expressed a wish to move to "a Committee form of Governance" and established a Constitution Review Working Party to develop a range of options with recommendations on a preferred option. It was agreed by full Council that the new arrangements

(whatever was ultimately decided) would come into effect from the Annual Council in 2014 (set for 19 March 2014).

6. Whilst not strictly required under legislation it is preferable, and the Working Party recommend this, that the council consults on any proposed changes and considers any responses before making a final decision.
7. The working party (comprising the leader and deputy leader of the council and the leaders of all the other groups and the liberal democrat member) have met twice and have considered three options:
 - (a) The current cabinet/leader/scrutiny model
 - (b) A committee structure
 - (c) A hybrid system consisting of one party executive, with a small number of politically proportionate committees and one scrutiny committee
8. Appendix 1, 2 and 3 respectively set out more detail for each of the above options.
9. The working party also assessed each of the three options against the following criteria:
 - (a) Transparency
 - (b) Accountability
 - (c) Inclusiveness
 - (d) Member/Officer resources
 - (e) Impact on Decision making
10. These assessments are set out at appendix 4, 5 and 6.

STRATEGIC CONTEXT

11. As set out in in paragraph 4 above the Framework for Change document seeks to improve the accountability and inclusiveness of the member level decision making process.
12. Additionally good governance arrangements will ensure good decision making and lessen the risk of external challenge to decisions made, in support of all the council's key priority areas.

CONSULTATION

13. To date consultation has been within the working party and the group leaders have had some discussions within their own groups.
14. Despite it not being a formal requirement, the working party does consider that it is important that there be some consultation on the option preferred by the council. Therefore it is suggested that following this meeting a consultation exercise will be commenced and this will be:
 - (a) An explanation of the preferred option compared to the others (a summary of this report)

- (b) A response form (as attached at appendix 7)
 - (c) This will be sent direct (via email) to all parish and town councils on 19 September 2013 (ie the day after this Council meeting)
 - (d) At the same time it will be published on our website and drawn to people's attention by press release and existing internal communications (The Vine)
 - (e) Responses to be back by 31 October 2013
 - (f) All responses to be analysed and reflected in the report to the November 2013 council meeting.
15. Attached at appendix 7 is the proposed consultation paper and questions that will be asked as part of the process.
16. Between September and November the overview and scrutiny committee will also be asked to consider the preferred option and again any recommendations that they make will be reported to the November council meeting.

FINANCIAL / BUDGET IMPLICATIONS

17. Currently the proposals have been developed to ensure that there is no additional cost to the council in whatever model is chosen. This will need to be reviewed again before a final decision is made as any increase in the number of meetings will add to the current cost of supporting these meetings.

LEGAL IMPLICATIONS

18. The relevant legislation for governance structures is the Local Government Act 2000 (as amended). This requires that a change from the cabinet system to a committee system can only be implemented from the next annual council meeting, following the passing of a resolution at an earlier meeting of the council setting out the changed arrangements; then as soon as practicable after the resolution publishing the proposed changes, setting out the main features and the date they will come into effect. Once the governance system has been changed away from the cabinet model it cannot be changed again (other than as a consequence of a referendum) for 5 years.
19. The preferred option amends the existing cabinet model, and so would not be caught by this legislation. This means this could be operated as a trial or interim system and if necessary further changes could be agreed by the council within the 5 year limit.

EQUALITY AND DIVERSITY

20. The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

21. It is not believed that the preferred option would have any adverse impact on any of the protected groups. As the whole concept is to allow more councillors to be involved in decision making this may assist under represented groups to gain experience. However a full equality impact assessment screening will be undertaken once the results of the consultation exercise are known.
22. One of the key principles behind any proposed changes is to make decision making more open, and this can be achieved by any of the proposed models.

OPTIONS

23. The options available at this stage are:
 - (a) For council to determine which of the following is the current preferred option (subject to consultation):
 - (i) The existing arrangements (Appendix 1)
 - (ii) A full committee system (Appendix 2)
 - (iii) An executive committee system (Appendix 3)
 - (b) The council undertake consultation, on the preferred option, through the council's web site and the parish and town councils from 19 September until 31 October and report the result of the consultation (and any views from the overview and scrutiny committee) back for a decision to be made on the future decision making structure to full council in November.
 - (c) Take no further action.

RISK MANAGEMENT

24. All of the options are acceptable methods of governance and decision making. Research shows that it is the way in which decisions are made and the values that drive the decision making process which are important and which make a difference.
25. Continuing with the existing cabinet arrangements carries the reputational risk that the arrangements have not been changed and hence the existing view of them remains.
26. Any change carries a risk in that there may be unexpected consequences however this can be overcome by clear briefing and explanations once the new process has been agreed.
27. There is also a risk that any alternative arrangement will increase the resources required to service the arrangements in place. For example additional meetings will require members and officers to attend them, and this will require them to take time away from their other activities. This can be minimised by ensuring that the proposed structure does not unduly increase the number of meetings. This is achieved in either of the 2 alternative models currently suggested.

EVALUATION

28. In practice any of the three options can work, however it is accepted that the current system has attracted some comment locally as it has not been seen as very inclusive (in that only cabinet members are involved in making most decisions) and the previous practice of cabinet members taking individual delegated decisions, since stopped, was seen as a particular problem.
29. Both the 2 alternative options suggested have been devised so as to ensure that the number of meetings remains, more or less, the same as under the current arrangements. This is significant as additional meetings will require additional member and officer resources and these are currently fully stretched maintaining the existing number of meetings.
30. Accountability (in that it is clear as to which individual – the relevant cabinet member - is ultimately responsible) and transparency (as no individual can hide behind “the committee”) is higher with either the existing cabinet model or the executive committee model.
31. Inclusiveness, in the sense of ensuring a larger number of members are included in the decision making process, is increased with the committee model and the executive committee model, as by design all member level decisions are considered, at one point or another, by a committee of members.
32. The committee and executive committee models do spread the workload amongst more members, this helps to ensure more effective scrutiny at the time a decision is taken, and gives more development opportunities for members and increases the understanding by members of the issues involved.
33. A weakness of the committee and executive committee systems is that decision making can become less clear. In the committee model as it might be unclear as to which committee ultimately makes the decision, and for the executive committee model although issues will be debated at committees and a recommendation made to the executive, it will still be for the executive to make the actual decision. Whereas the current cabinet system is clearer, in that it is the cabinet.
34. The executive committee model could slow the decision making process down, in that decisions have to be considered by the relevant executive committee before a decision is made by the executive. But this is offset by the fact that the decisions will be far more developed and inclusive compared to the existing cabinet model.
35. One of the potential strengths of a cabinet, or executive committee, system is the legal requirement to retain a separate overview and scrutiny committee. Under a committee system each committee undertakes its own scrutiny whilst also determining policy and decision making. The separation of these roles can assist in terms of decision makers being held to account.

36. Finally it needs to be considered that a move to a committee system would prevent the council from any further changes for 5 years (other than as a result of a referendum). Whereas the other options (including the recommended executive committees system) could be changed again within that period.
37. Whilst either of the three proposed models could work it is clear that the committee and executive committee systems offer more inclusive decision making, whilst the executive committee system adds to this separate scrutiny and greater accountability.
38. Consultation on the preferred option will allow an opportunity for other people/organisations to offer other views that the council will wish to consider before a final decision is made. It is suggested that this be undertaken via the council's web site and by direct correspondence with town and parish councils on the Island. It is also proposed that the council's overview and scrutiny committee also consider the preferred option at its October meeting as well.

RECOMMENDATION

39. That:
- (a) The following is the current preferred option:
- An executive committee system (Appendix 3)
- and
- (b) The council undertake consultation, on the preferred option, through the council's web site and the parish and town councils from 19 September until 31 October and report the result of the consultation (and any views from the overview and scrutiny committee) back for a decision to be made on the future decision making structure to full council in November.

APPENDICES ATTACHED

40. [Appendix 1](#) - The existing arrangements;
41. [Appendix 2](#) - A full committee system;
42. [Appendix 3](#) - An executive committee system;
43. [Appendix 4](#) - Pros and cons analyses of existing Cabinet model;
44. [Appendix 5](#) - Pros and cons analyses of a Committee Structure;
45. [Appendix 6](#) - Pros and cons of Executive with Committees;
46. [Appendix 7](#) - Constitutional Review Consultation.

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